US Reporting Newsletter for Non-US Based Companies

Global Offerings Services

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Global Offerings Services (GOs) comprises a global team of practitioners assisting non-US companies and non-US practice office engagement teams in applying US and International accounting standards (i.e., US GAAP and IFRS) and in complying with the SEC's financial reporting rules. For more information please contact the GOs Center leader nearest you.

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Deloitte periodically publishes Accounting Roundups and Heads Ups. Click here to access the published ones.

GAAP Matters

Recognition of Compensation Cost for Retirement Eligible Employees Prior to the Adoption of Statement 123(R)

Many equity based compensation agreements contain terms that provide for a change to the stated vesting terms (e.g., immediate vesting, acceleration of vesting, or continued "vesting" after termination) for employees who are considered to be retirement eligible. FASB Statement No. 123 (revised December 2004), *Share-Based Payment* (Statement 123(R)) indicates that such provisions result in a "nonsubstantive" vesting period for retirement eligible employees and, as such, compensation cost should be recognized immediately upon grant rather than over the stated vesting term.

FASB Statement No. 123, *Accounting for Stock-Based Compensation* (Statement 123) and APB Opinion No. 25, *Accounting for Stock Issued to Employees* (Opinion 25) do not address directly the impact of such acceleration (or continuation of vesting) provisions on the time period for recognition of compensation cost. While Statement 123(R) does not fundamentally change the principle that compensation cost should be recorded over the service period, prior to the issuance of Statement 123(R) many in practice did not view such acceleration provisions as resulting in a "nonsubstantive" vesting term, but were rather recording compensation cost over the stated vesting period. Accordingly, based upon the predominance of this practice (i.e., recognizing compensation cost over the "nominal" vesting term) and as a result of discussions between the profession and the SEC Staff, such practice is considered an acceptable method of accounting for awards granted prior to the adoption of Statement 123(R). Read more on this below.

Impact of IRS Notice on Section 78 Gross-Up Related to Dividend Repatriation Under the AJCA

On May 10, 2005, the Treasury Department and IRS issued the second in a series of notices (the "Notice") that provides detailed tax guidance for U.S. companies that elect to repatriate earnings from foreign subsidiaries subject to the temporary reduced tax rate available under the American Jobs Creation Act ("AJCA"), in particular IRC section 965. Among other items, the Notice indicates that a section 78 gross-up is not required on any foreign tax for which a foreign tax credit is disallowed under the AJCA.

As background, the section 78 gross-up applies to companies that elect to receive a tax credit on their U.S. federal income tax return for foreign income taxes deemed to have been paid during the tax year. In essence, it requires a U.S. corporation to include as income those foreign taxes.

Since the AJCA reduces by 85 percent the amount of U.S. tax owed on deductible dividends, it also disallows a corresponding 85 percent of the foreign tax credits. One might have expected the AJCA to reduce the amount of section 78 gross-up as well. However, this issue was not addressed in the AJCA. As such, prior to the issuance of the Notice, companies were required to compute their income tax liability for repatriation as the AJCA was written.

Read more on this below.

SEC and Other Regulatory Matters

SEC Issues Statement on Implementation of Internal Control Reporting Requirements

On May 16, 2005, the U.S. Securities and Exchange Commission (SEC) and the U.S. Public Companies Accounting Oversight Board (PCAOB) released guidance in response to concerns expressed at the April 13, 2005 SEC roundtable discussion on the initial implementation of the internal control reporting requirements for public companies (see April GOs newsletter for the information on the roundtable discussion). The roundtable participants agreed that the heightened focus on internal controls is producing benefits. However, they expressed concerns about the associated compliance costs and offered suggestions to improve the implementation process on a going forward basis. In response to those concerns, the SEC staff released a Staff Statement on Management's Report on Internal Control over Financial Reporting to provide such guidance (Read more on these issues below). The SEC staff guidance complements the guidance that the PCAOB provided with respect to the application of its Auditing Standard No. 2, An Audit of Internal Control over Financial Reporting Performed in Conjunction with an Audit of the Financial Statements.

Key points of the Commission's Statement:

- Both management and external auditors must bring reasoned judgment and a top-down, risk-based approach to the 404 compliance process;
- The staff expects the costs to go down as the internal control audit is better integrated with the audit of a company's financial statements;
- As long as management determines the accounting to be used and does not rely on the auditor to design or implement the controls, the staff does not believe that the auditor's providing advice or assistance, in itself, constitutes a violation of the independence rules.

Click here to access the full text of the statement.

PCAOB Issues Guidance on Audits of Internal Control

On May 16, 2005, the PCAOB issued (1) Policy Statement Regarding Implementation of Auditing Standard No. 2, *An Audit of Internal Control Over Financial Reporting Performed in Conjunction with an Audit of Financial Statements* (Policy Statement) and (2) Staff Questions and Answers (Q&A), Auditing Internal Control Over Financial Reporting, Questions 38-55. The Policy Statement is not a PCAOB rule and therefore does not require SEC approval. The objective of the PCAOB Staff Q&A document is to assist auditors in implementing the audit standard; however, the Q&As are not PCAOB rules nor have they been approved by the PCAOB. Both the Policy Statement and the Q&A focus primarily on the scope of the internal control audit and how much testing of a company's internal control over financial reporting is required. The PCAOB identified these as the issues that primarily drive cost and therefore needed to be addressed most urgently in order to affect the 2005 audit process. Read more on the PCAOB guidance below.

SEC Staff Begins Publicly Releasing Comment Letters and Responses

On May 12, 2005, the SEC staff began the process of publicly releasing comment letters and response letters relating to disclosure filings made after August 1, 2004, and reviewed by the Division of Corporation Finance and the Division of Investment Management.

Alan Beller, Director of the Division of Corporation Finance, said, "We believe it is appropriate to expand the transparency of our comment process by making this information available, free of charge, to an unlimited audience."

Comment letters and response letters relating to reviewed disclosure filings are released individually on a filing-by-filing basis through our EDGAR system at www.sec.gov. The process has commenced with some of the oldest eligible filings, but as it continues, letters will be released no earlier than 45 days after the review of the disclosure filing is complete. Click here to access the full text of the press release.

CESR Advises the European Commission on the "Equivalence" of Foreign GAAPs to IFRS

On April 27, 2005, the Committee of European Securities Regulators (CESR) published a *Draft Technical Advice on Equivalence of Certain Third Country GAAP and on Description of Certain Third Countries Mechanisms of Enforcement of Financial Information.* Under new prospectus and market disclosure rules, the European Commission is charged with deciding whether foreign GAAPs offer "equivalence" of information with International Financial Reporting Standards (IFRS). Such a finding would relieve foreign issuers from having to reconcile their accounts to IFRS.

The CESR has published for consultation its draft advice to the European Commission regarding its assessment of the equivalence of Generally Accepted Accounting Principles (GAAP) in the US, Canada and Japan (Third Countries) with IFRS.

The CESR aims to finalize its advice to the European Commission by June 30.

Read more on the CESR advice related to the Third Countries below.

Miscellaneous

AICPA Issues Audit Risk Alert on Investment Companies

The AICPA has issued an Audit Risk Alert, Investment Companies Industry Developments - 2004/2005, which gives an overview of recent economic, industry, regulatory, and other developments that may affect investment companies. Since the AICPA issued the Alert for 2003/2004, the SEC has issued a number of rules or other guidance that may affect the reporting and auditing of investment companies. Click here to access the audit risk alert.

Webcasts

Deloitte offers Dbriefs, live webcasts for executive level audience

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Financial Reporting

Share-Based Payment Transactions: Frequently Asked Questions
> May 17, 2:00 – 4:00 PM EDT
Presenters: Ellie Kehmeier, Jim Kroeker, Dave Sullivan, Dawn Trapani, and valuation specialists

Has FASB 123(R), Share-Based Payment, left you with many unanswered questions? You're not alone – many people have questions on fair value accounting for employee share options. The webcast addresses:

- Measurement and valuation issues.
- Timing of expense recognition.
- Accounting for modifications.
- Income tax accounting.
- Transition methods.

Click here to access the archived webcast.

EITF Roundup: Highlights of the June Meeting
> June 21, 2:00 – 3:30 PM EDT
Presenters: Gordon McDonald and Bob Uhl

The FASB's Emerging Issues Task Force (EITF) will meet in June to resolve emerging accounting issues. We'll discuss the results of this meeting that we expect will include:

- Unresolved topics from the March 2005 meeting.
- Other topics added to the EITF agenda.

Click here to access the webcast.

Recent Deloitte Publications

Below is a list of Deloitte publications about the most recent rule proposals and legislative actions.

FASB Interpretation No. 46, Consolidation of Variable Interest Entities
Second Edition: A Roadmap to Applying Interpretation 46(R)'s Consolidation Guidance. This publication updates the March 2004 edition and offers the latest guidance including 40 new questions and answers, FASB and SEC developments and our recent experience in practice.

Strategies for going public
This publication will help guide companies through the initial public offering process by providing practical, working knowledge of the complex procedures involved. Helpful tools include a timetable for going public, a sample due diligence checklist, and a discussion of the new Sarbanes-Oxley requirements. The guidebook will also assist companies in optimizing your teamwork by outlining the role of company and its professional advisors in the IPO process. Please contact your Deloitte professional to obtain an electronic copy or Tomoko Lee at 1-212-436-2656 to obtain a hard copy of the publication.

Antifraud programs and controls
Antifraud activities represent an important component of Sarbanes-Oxley compliance and an essential element of a COSO-based system of internal control. This document focuses on considerations clients should keep in mind when implementing antifraud programs and controls, including key components, assessment processes, sample implementation plans, and important steps and concerns. Please contact your Deloitte professional to obtain an electronic copy.

Heads Up: Vol.12, Issue 3. "SEC Staff Accounting Bulletin No. 107, Share-Based Payment"

Heads Up: Vol.12, Issue 2, "FASB Interprets Accounting for Conditional Asset Retirement Obligations"

The SEC's Roundtable on Implementation of Internal Control Reporting Provisions

Accounting Roundup: 1st Quarter in Review 2005

Accounting Roundup: March 31, 2005

EITF Roundup: March, 2005

Accounting Roundup: February 28, 2005

Accounting Roundup: January 31, 2005

Heads Up: Vol. 12, Issue 1. "It's Official, 13 is Unlucky! SEC Clarification of Statement 13 Lease Accounting Issues Leads to Restatements."

Audit Committee Brief: February 2005.

Under Control, Guidance for Sustaining Compliance with Sarbanes-Oxley Section 404

This publication is created for accelerated filers who have completed (or nearly completed) year-one work. It draws heavily on Deloitte's field experience with over 1,000 Sarbanes-Oxley related engagements and discusses essential characteristics of sustainability and analyzes critical shortcomings that many companies experienced in their first-year efforts.

A Framework for Evaluating Control Exceptions and Deficiencies

Heads Up: Vol. 11 Issue 10. "1•2•3(R)eady, Set, Go Fair Value Accounting for Stock Options!"

IAS Plus Website -

The International Accounting Standards Board recently revised several pronouncements, such as IAS 1, 2, 3, 8, 10, 16, 17, 24, 28, 32, 33, 39 and 40. Deloitte's IAS Plus website discusses these revisions as well as other current and future developments in the International Financial Reporting Standards (IFRS) environment.

E-learning training materials for International Financial Reporting Standards

Deloitte is pleased to make available e-learning training materials for IFRS free of charge. Click here to Access Deloitte's IFRS e-Learning Material. Content on the following standards is now available: IAS 1, IAS 2, IAS 7, IAS 8, IAS 10, IAS 11, IAS 14, IAS 16, IAS 17, IAS 18, IAS 21, IAS 27, IAS 28, IAS 31, IAS 34, IAS 37, IAS 40, IAS 41, and the Framework for the Preparation and Presentation of Financial Statements. Modules on the remaining standards are currently being developed and will be released in phases throughout 2004.

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Other useful publications can be obtained on Deloitte's website – Click here

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GAAP Matters

Recognition of Compensation Cost for Retirement Eligible Employees Prior to the Adoption of Statement 123(R)

Equity based compensation agreements may contain terms that provide for a change to the stated vesting terms (e.g., immediate vesting, acceleration of vesting, or continued "vesting" after termination) for employees who are considered to be retirement eligible. Consider the following example:

A company grants "at-the-money" fixed employee stock options that vest ratably over four years (graded vesting) or earlier upon death, disability, or retirement. The company's normal retirement age is 60. At the date of grant, some of the employees are older than age 60 and, therefore, are eligible to retire.

Paragraphs A57-A58 of Statement 123(R) provide a similar example that directly illustrates this concept and indicates that for an employee who is retirement eligible under the plan, "the award's explicit service [vesting] condition is nonsubstantive" and that the award is "effectively vested." Thus, Statement 123(R) requires that compensation cost for awards, where the vesting is "nonsubstantive" and granted subsequent to the adoption of Statement 123(R), should be recognized immediately.

Question

In determining the period over which compensation cost should be recognized under prior to the adoption of Statement 123(R) (under Statement 123 and Opinion 25), what is the impact of these types of acceleration or continuation of "vesting" provisions? That is, over what period of time how should a company record compensation cost for the awards issued to retirement eligible employees (in the example above, employees age 60 and older)?

Answer

For awards granted prior to the adoption of Statement 123(R), the preferable practice for an award, whose vesting is defined as the earlier of a defined period of time (e.g., four years) or immediately upon death, disability, or retirement, issued to a retirement eligible employee, is essentially a would be to treat such an award as a fully vested award. That is, the employees' rights to the award are not contingent on the employees providing any additional service to the company. For example, a retirement eligible employee could leave the company the next day and would receive the award. Likewise, when an award is issued to an employee who is nearing eligibility to retire, compensation cost shall be recognized over the period from the grant date to the date of retirement eligibility (if retirement eligibility precedes the fixed vesting period).

However, in practice many companies have adopted an accounting policy pursuant to Opinion 25 or Statement 123 (prior to the adoption of Statement 123(R)) of recognizing compensation cost (either in the income statement or in the required pro forma disclosures) over the "nominal" vesting period (four years, in the above example) with acceleration of unrecognized compensation cost if and when an employee elected to retire. Based upon discussions the profession has had with the SEC Staff, this policy is an acceptable method of accounting for awards granted prior to the adoption of Statement 123(R). Additionally, the SEC Staff indicated that companies that have elected to recognize compensation cost over the nominal vesting period for awards granted prior to adoption of Statement 123(R) should continue to apply the selected methodology of recognizing compensation over the "nominal" vesting period. Upon adoption of Statement 123(R), companies must continue to recognize compensation cost over the "nominal" vesting period for all awards granted prior to adoption (that is, companies should not recognize a "catch up" adjustment or cumulative effect of a change in accounting principle for prior awards either upon, or prior to, adoption of Statement 123(R)). Such companies should include the following disclosures in future filings:

- A company must disclose its accounting policy of recognizing compensation cost over the "nominal" vesting period and indicate that this policy differs from the policy required and applied for awards granted after the adoption of Statement 123(R).
- Prior to the adoption a company should quantify and disclose the difference between the selected accounting method and the method required under Statement 123(R), as required by SEC Staff Accounting Bulletin Topic 11.M, "Disclosure of the Impact That Recently Issued Accounting Standards Will Have on the Financial Statements of the Registrant When Adopted in a Future Period" (SAB 74). Subsequent to adoption of Statement 123(R), a company should quantify and disclose the amount of compensation cost recognized in the income statement for awards granted prior to adoption where compensation cost continues to be recognized over the "nominal" vesting period.

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Impact of IRS Notice on Section 78 Gross-Up Related to Dividend Repatriation Under the AJCA

As discussed above, the IRS Notice indicates that a section 78 gross-up is not required on any foreign tax for which a foreign tax credit is disallowed under the AJCA.

Question

In what period should the impact of the Notice be accounted for?

Answer

The impact should be recorded in the period that includes the Notice's effective date (i.e., May 10, 2005). While IRS notices are not generally accounted for as changes in tax law, due to the unique aspects of this Notice, its impact should be accounted for in a manner similar to a change in tax law. Companies that had previously decided to repatriate foreign earnings and, therefore, had an income tax liability recorded should reduce their income tax liability in the period that includes May 10, 2005. Companies that are in the process of making a decision to repatriate foreign earnings should include the impact of the Notice in the measurement of the resulting income tax liability when a decision is finalized.

Due to the unique nature of this Notice, this accounting guidance should not be analogized to other situations or fact patterns.

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SEC and Other Regulatory Matters

SEC Staff Issues Statement on Management's Report on Internal Control Over Financial Reporting

On May 16, 2005, in conjunction with the Commission's Statement on Implementation of Internal Control Reporting Requirements (see above), the SEC staff provided guidance on certain issues raised in the implementation of Section 404 of the Sarbanes-Oxley Act of 2002. In the guidance, the SEC staff provided its views on the following points that had been identified as sources of confusion:

- The purpose of internal control over financial reporting;
- Reasonable assurance, risk-based approach, and scope of testing and assessment;
- Evaluating internal control deficiencies;
- Disclosures about material weaknesses;
- Information technology issues;
- Communications with auditors; and
- Issues related to small business and foreign private issuers.

- **The purpose of internal control over financial reporting.** The staff expressly declined to prescribe the scope of assessment or the amount of testing and documentation required by management –management should be guided by informed judgment. The purpose of the internal control over financial reporting provisions - the production of reliable financial statements – should not be overshadowed by the process.

- **Reasonable assurance.** Companies should achieve a "reasonable" level of assurance that internal control over financial reporting is effective. The staff defines "reasonable" as "a high level" but not "absolute." The staff observed that "reasonableness" includes a range of judgments, not simply a single outcome.

- **Risk-based approach.** The SEC staff commented that registrants should use a top-down, risk-based approach to identify the areas of the financial statements that present significant risk that the financial statements could be materially misstated. Management should then identify relevant controls and design appropriate procedures for documentation and testing of those controls. Consequently, the nature, extent, and timing of control testing should be greater for high-risk accounts than for low-risk accounts. The SEC staff expects this top-down, risk-based approach to reduce the number of controls and processes registrants identify, document, and test in the second year of internal control reporting.

- **Scope of testing and assessment.** Management should identify significant accounts to be assessed in their internal control work based on annual (not interim) and company (not segment) measures. However, if management identifies a deficiency, then they should look at the effect of that deficiency on annual and quarterly company and segment measures.

- **Timing of controls testing.** The SEC staff commented that the feedback at the roundtable indicated that some auditors have been unwilling to accept management's testing performed during the year as evidence. Management may be able to test a substantial number of controls at a point in time prior to its fiscal year-end, and determine through its direct and ongoing monitoring of the operation of the controls that they also function effectively as of the fiscal year-end date, without performing further detailed testing.

- **Evaluating internal control deficiencies.** If control deficiencies are identified, the SEC staff commented that registrants should consider the significance of those deficiencies and whether the risk is mitigated by compensating controls. Registrants should include in their analysis: (1) The nature of the deficiency; (2) The cause of the deficiency; (3) The relevant financial statement assertion the control was designed to support; (4) The effect of the deficiency on the broader control environment; and (5) Whether other compensating controls are effective.

- **Restatements and Material Weaknesses.** The SEC staff noted that neither Section 404 nor the Commission's implementing rules require that a material weakness in internal control over financial reporting must be found to exist in every case of restatement resulting from an error. Rather, both management and the external auditor should use their judgment in assessing the reasons why a restatement was necessary and whether the need for restatement resulted from a material weakness in controls.

- **Disclosures about material weaknesses.** When a registrant identifies a material weakness, and that material weakness has not been remediated prior to fiscal year-end, the company must conclude that its internal control over financial reporting is ineffective. The SEC staff believes that companies should consider disclosing the following information regarding such weaknesses: (1) The nature of any material weakness; (2) Its impact on financial reporting and the control environment; and (3) Management's current plans, if any, for remediating the weakness. The SEC observed that companies are strongly encouraged to disclose the potential impact of each particular material weakness. The disclosure will likely be more useful to investors if management: (1) Differentiates the potential impact and importance to the financial statements of the identified material weaknesses, including (2) Distinguishing those material weaknesses that may have a pervasive impact on internal control over financial reporting from those material weaknesses that do not.

- **Information technology issues.** Regarding the extent of documentation and testing necessary for IT internal controls, particularly for general IT controls, the SEC staff expressed the view that it expects management to document and test the following controls designed to ensure that financial information can be relied on: (1) Relevant general IT controls, and (2) Appropriate application-level controls. New IT systems should not be excluded from internal controls testing.

- **Communications with auditors.** Errors in draft financial statements are not necessarily indicative of a deficiency in internal controls. Both the PCAOB and the SEC staff observed that as long as management (not the auditor) designs, implements, and makes the final decisions on accounting matters, dialogue between auditor and management about internal control and accounting matters is beneficial and should be encouraged.

- **Issues related to foreign private issuers.** The staff continues to assess the effects of the internal control reporting requirements on foreign private issuers, who are not yet required to comply with Section 404.

Click here for the full text of the Statement.

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PCAOB Issues Guidance on Audits of Internal Control

As discussed above, the PCAOB issued a Policy Statement and a staff Q&A to address certain issues on the scope of testing of a company's internal control over financial reporting.

The Policy Statement expresses the Board's view that, to properly plan and perform an effective audit under Auditing Standard No. 2, auditors should –

- integrate their audits of internal control with their audits of the client's financial statements, so that evidence gathered and tests conducted in the context of either audit contribute to completion of both audits;

- exercise judgment to tailor their audit plans to the risks facing individual audit clients, instead of using standardized "checklists" that may not reflect an allocation of audit work weighted toward

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high-risk areas (and weighted against unnecessary audit focus in low-risk areas);

- use a top-down approach that begins with company-level controls, to identify for further testing only those accounts and processes that are, in fact, relevant to internal control over financial reporting, and use the risk assessment required by the standard to eliminate from further consideration those accounts that have only a remote likelihood of containing a material misstatement;
- take advantage of the significant flexibility that the standard allows to use the work of others; and
- engage in direct and timely communication with audit clients when those clients seek auditors' views on accounting or internal control issues before those clients make their own decisions on such issues, implement internal control processes under consideration, or finalize financial reports.

Questions 38-40 of the Staff Q&A issued at the same time as the PCAOB cover general questions such as what is a “top-down approach”, or how an audit of internal control is “risk based”, or the effect of the assessment of the risk of financial statement misstatement. Questions 41-53 cover scope and extent of testing. Question 54 concerns with using the work of others and question 55 talks about the auditor’s responsibilities with respect to management’s certification disclosures.

Click here to access the full text of the policy statement. Click here to access the full text of the Q&A.

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CESR Advises the European Commission on the “Equivalence” of Foreign GAAPs to IFRS

As discussed above, the CESR performed an assessment of the equivalence of GAAP in the US, Canada and Japan with IFRS.

CESR's advice is that, taken as a whole, the GAAPs of the Third Countries are equivalent to IFRS, subject to the following:

- Special purpose entities - that companies which have subsidiaries which are special purpose entities (SPEs) which are not consolidated for Third Country GAAP purposes, but are required to be consolidated under IFRS, report a pro-forma balance sheet and profit and loss account (on a local GAAP basis) including the unconsolidated subsidiaries;
- Japanese merger accounting and consolidation - that companies reporting under Japanese GAAP which have either accounted for mergers by the pooling of interest method and/or have consolidated subsidiaries on the basis of GAAPs which are not consistent with either IFRS or any of the Third Country GAAPs, report a pro-forma balance sheet and profit and loss account on the basis of IFRS covering business combinations and consistent accounting policies, respectively;
- Stock options - that Japan and the US adopt accounting policies for the expensing of stock options on a basis equivalent (not necessarily identical) to IFRS, for implementation on or before 1 January 2007. CESR understands that Japan is considering proposals to adopt such a standard in accordance with this timetable, and that the US has recently adopted such a standard that will in most cases be applicable from 2006;
- Additional disclosures - that in respect of certain specified IFRS and if applicable, in addition to the matters listed above, there be additional disclosures of sometimes a descriptive nature and sometimes a quantitative nature.

CESR's conclusion on equivalence is based on the assumption that appropriate filters are in place for the interpretation and application of the standards, such as corporate governance, auditor oversight, and appropriate enforcement mechanisms in the issuer's home country, together with similar filters at company level.

CESR advises that there should be no remedy of reconciliation between Canadian GAAP, Japanese GAAP, US GAAP and IFRS. CESR considers that a combination of qualitative and quantitative disclosures gives better information to investors on the issues it has identified.

This assessment of equivalence is separate from other initiatives such as IASB convergence projects with the Third Countries and discussions at a political level on mutual recognition.

However, at a hearing in Paris on May 18 various criticisms of the CESR proposal were made. For example, Japan's Financial Services Agency and industry groups said the proposed information requirements would impose a burden that would be too costly.” These required remedies could result in a de facto denial of access of Japanese issuers to the EU capital market,'' said Toru Shikibu, deputy commissioner for international affairs at the Japanese FSA. The mandate for new data may ``force Japanese issuers to stop global offering of securities despite the globalization of the capital market.''

Click here to access the copies of the consultation paper and related press release.

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What is and How to Subscribe DART?

Deloitte makes available, on a subscription basis, its online library of accounting and financial disclosure literature. Called the Deloitte Accounting Research Tool (DART), the library includes material from the FASB, the EITF, the AICPA, the SEC, and the IASB, in addition to Deloitte's own accounting manual and other interpretative accounting guidance.

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